

# TRS Employer News

Winter 2003

## Medicare-only referendum election from February 16 through May 15

We have received all of the Medicare-only Referendum Certifications. Thank you for taking the time to review and update the certification listings. To aid eligible teachers in making informed decisions, TRS will provide educational materials to eligible teachers and conduct regional meetings in January and February 2004. In addition, the Social Security Administration (SSA) will send individual statements notifying eligible teachers of their accumulated Medicare credits. Any information provided to members will also be provided to your district.

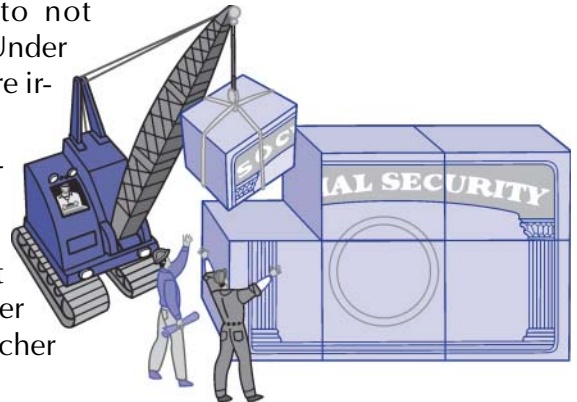
Election ballots will be mailed to eligible teachers in February 2004. The election will be held between February 16, 2004 and May 15, 2004.

Unlike most referendums, the individual teacher's vote is not affected by the votes of other eligible teachers. Teachers voting "yes" will be subject to the Medicare contribution. Teachers voting "no" will continue to be exempt from Medicare contributions. Ballots postmarked after May 15, 2004, and ballots that are not returned to TRS will be determined as elections to not participate in Medicare. Under federal law, all elections are irrevocable.

Teachers who elect to participate will begin making contributions and accumulating Medicare credit for salary earned on or after July 1, 2004. Both the teacher

and the employer will make a contribution of 1.45 percent of the teacher's salary.

For more information regarding the Medicare-only referendum, refer to *Employer Bulletin* 04-02 that was mailed to you in August. The *Employer Bulletin* is also available on our Web site at [www.trs.state.il.us](http://www.trs.state.il.us).



## TRS and THIS Fund contributions increase in fiscal year 2004



As we reported to you last spring, beginning with the 2003-2004 school year, the following contribution rate increases were effective for creditable earnings:

- the member THIS Fund contribution increased from 0.65 to 0.75 percent,
- the employer THIS Fund contribution increased from 0.40 to 0.50 percent, and
- the employer TRS contribution increased from 0.18 to 0.58 percent as a result of the expiration of the employer THIS Fund dollar for dollar credit.

The new rates apply to salaries earned beginning July 1, 2003.



**Retirement Security for Illinois Educators**  
**Teachers' Retirement System of the State of Illinois**

## EFT Program Remittance Reminders

On July 1, 2003, our Electronic Funds Transfer (EFT) Program became mandatory for all TRS employers. The EFT Program requires you to remit all member and employer contributions electronically, either through the touch-tone telephone system or the Web-based remittance system. Only payments requiring an Employer Payment Coupon, such as the employer payment of a member's 2.2, optional service or ERO balance, should still be remitted by check and mailed to the TRS Springfield Office.

Salary deduction contributions are remitted according to the pay periods you submitted to TRS in May. TRS salary deduction contributions are remitted under option 1 of the EFT script, while THIS Fund salary deduction contributions are remitted under option 2. In June, an Employer Pay Period Schedule Report was sent to each employer. This report showed each payroll date and the due date for the remittance. It also showed the corresponding fiscal year and pay period number that is required for these types of remittances. If you find during the year that your pay periods have changed, contact the TRS Accounting Department to have corrections made and a new schedule mailed to you.

Option 3 of the EFT script is used to remit **billed** TRS contributions. These required payments are outlined on the TRS Remittance form included with your monthly bill and include the Payroll Deduction Program, employer early retirement option, penalties, ATEs, and report difference contributions. Please verify that you are entering the correct bill section number as indicated on the remittance form.

Option 4 of the EFT script is used to remit **billed** THIS Fund contributions. These items, which are not applicable to all employers, are shown on the THIS Fund Remittance form and include employer pay

insurance, ATEs, and report difference contributions. For a description of all contribution types, please refer to chapter 4 of your *Employer Guide*. Once again, please verify that you are entering the correct bill section number.

With the exception of the Payroll Deduction Program (PDP), all billed items are due upon receipt of the bill. PDP payments are due by the 10th of the month following the month in which the deductions were made. Do not remit payment for items that have yet to be billed (*i.e.*, do not prepay penalties).

Once your transaction(s) have been entered, fax (prior to the debit date) your completed TRS Remittance form and/or THIS Fund Remittance form to the TRS Accounting Department. A copy of your bill section is only required if any changes have been made to the billed items. No supporting documentation is required for TRS and THIS Fund payments for salary deduction contributions remitted under option 1 and 2.

The monthly billing package also includes a comprehensive employer statement which reflects all receipt transactions and any adjustments recorded to your account for the given time period. This statement should be reviewed upon receipt and any discrepancies reported immediately to the TRS Accounting Department.

For additional information, or if you have questions, visit the Employer Services page on our Web site at [www.trs.state.il.us](http://www.trs.state.il.us), or contact us toll free at (888) 877-0890, option 2.



## Don't report exchange aliens on annual report

We are not writing about green space aliens; we are referring to teachers who are not citizens of the United States.

Some school districts this past reporting season incorrectly reported teachers who were from

a foreign country admitted as exchange aliens. These teachers should not be reported, because they are not TRS members.

A teacher from a foreign country who is admitted as an exchange alien by the U.S. Citizenship and Immigration Services under federal Form I-94 does not qualify for

membership in TRS. However, a teacher from a foreign country who is certificated in Illinois, performs the duties of a classroom teacher, and is not admitted as an exchange alien does qualify for TRS membership. Please refer to Chapter 2 of the TRS *Employer Guide*.

## Retirees may return to work in certified subject shortage areas

In August, we notified you about a new law effecting employment of retirees. This law will allow some TRS retirees to return to



full-time, TRS-covered employment without loss of their pension in subject areas where the regional superintendent certifies that a personnel shortage exists.

It is important to understand the provisions of the law and the procedures that must be followed before a retiree can be hired for the program.

The law requires that before the employer seeks to hire a retired teacher, the school district must advertise its vacancy for at least 90 days before the beginning of a school term in a local newspaper and in employment bulletins pub-

lished by college and university placement offices, and search for qualified teachers through the Illinois Education Job Bank.

If the vacancies are not filled after complying with these requirements, the school district must submit documentation to the regional superintendent.

The regional superintendent will certify the district's compliance on a form and mail it to us. We will then provide the school district with a form to notify us of the intent to hire a retiree.

After we receive the district certification form providing the name of the retiree, we will ensure the retiree meets the eligibility requirements. If the eligibility requirements have been met, we will notify the retiree and school

district that we received this certification form and acknowledge the hiring of the retiree under the program.

Once hired, the retiree must participate in the district's group health program. There will be no pre-existing condition limits. If the school district does not offer health insurance, the retiree will remain in the TRIP program.

Employer or employee contributions cannot be made to TRS and the retiree cannot earn additional service credit. The retiree should not be reported on the employer's annual report.

For more information, please see *Employer Bulletin 04-03, Retiree Return to Work Legislation*, or contact the Employer Services Department by calling (888) 877-0890 or via e-mail at [employers@trs.state.il.us](mailto:employers@trs.state.il.us).

## We could have e-mailed this newsletter to you as a PDF file

We would like to know if you are capable of and interested in receiving employer publications (*i.e.*, *Employer Bulletins*, brochures, etc.) from TRS as Portable Document Format (PDF) files via e-mail. Please take a minute to answer this survey and return it to us in the provided envelope. Thank you.

**Would you like to receive PDF files of our publications via e-mail?**

☐ Yes ☐ No

**Are you able to receive external e-mail?**

☐ Yes ☐ No

**Do you have Acrobat Reader?**

☐ Yes ☐ No\*

**Do you have Internet access?**

☐ Yes ☐ No

**If "yes," do you have a dial-up or a high-speed connection? (circle one)**

\* Before you can view a PDF file, you need to download Adobe Acrobat Reader. If you don't have Adobe Acrobat to read PDFs, a free download is available from our Web site at [www.trs.state.il.us](http://www.trs.state.il.us).

\*\* TRS Web site is best viewed by using Internet Explorer 5.0 and above or Netscape Navigator 6 and above. If you use an earlier version of Internet Explorer or Netscape Navigator, or if you use another Browser, a free download is available from our Web site at [www.trs.state.il.us](http://www.trs.state.il.us).

**If you have Internet access, what browser version do you use?**

☐ Internet Explorer 5.0 or above

☐ Previous version of Internet Explorer\*\*

☐ Netscape Navigator 6.0 or above

☐ Previous version of Netscape Navigator\*\*

☐ Other: \_\_\_\_\_\*\*

**Comments:** \_\_\_\_\_

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## Schedule an employer meeting today

As member benefits have expanded and improved in recent years, corresponding guidelines that you must follow have also evolved. To better serve you and provide you with up-to-date information, staff from our Employer Services Department will be visiting school districts to conduct popular, personalized half-day meetings with you through May.

Individuals who are responsible for TRS reporting functions and recordkeeping duties at your school should participate in the employer meeting.

If you are new to TRS reporting responsibilities, we strongly recommend that you schedule a meeting with our staff. We can customize your meeting to provide the basic knowledge you need to get started.

If you are experienced in TRS reporting, we can gear the meeting toward fine-tuning your reporting skills or resolving particular problems you have been experiencing.



During the meeting, we will review your current reporting practices, provide training, discuss recent changes, and answer questions about TRS reporting issues. We will specifically address

- membership,
- creditable earnings,
- noncreditable earnings,
- types of contributions and remittance of them,
- supplementary reports,
- the Employer's Annual Report of Earnings, and
- recent legislative changes.

If you would like to schedule an employer meeting, please call our Employer Services Department at (888) 877-0890, option 1.

## How to reach us

### Office address

#### **Springfield**

P.O. Box 19253  
2815 West Washington  
Springfield, IL 62794-9253

### Web site

[www.trs.state.il.us](http://www.trs.state.il.us)

### E-mail

[employers@trs.state.il.us](mailto:employers@trs.state.il.us)

### Telephone directory

#### **Toll free employer number**

(888) 877-0890

Employer Services, press 1  
Accounting, press 2

#### **Fax**

(217) 753-0969

#### **TDD**

(217) 753-0329

#### **Toll free member number**

(800) 877-7896

## Spotlighting Jenny Hoots

Many of you may not recognize Jenny's "new" name but know her better as Jenny Wisdom. Jenny married Craig Hoots on June 14, 2003. She has been employed as an auditor in the Employer Services Department for five years.

In 1996, Jenny received a bachelor of arts degree in economics/business administration with an emphasis in accounting from Illinois College. Before coming to TRS, she worked for a public accounting firm for two years.

When Jenny started working at TRS, she had a lot to learn in a small amount of time. She joined

the TRS team in the midst of the infamous 2.2 legislation period and right in the middle of the annual reporting season.

Over the past five years, Jenny has witnessed many changes to TRS. Besides all of the legislative modifications that have occurred over the past few years, she also experienced the transition to the new STAR computer system.

Jenny enjoys working with all of the district bookkeepers and per-



sonnel on a daily basis. She loves getting to know people on a first name basis. Her favorite time of year is reviewing the annual reports submitted by each district. In the words of one of

her co-workers, "Jenny can really crank out those annual reports."

On a more personal note, Jenny and Craig live in the country outside her hometown of Winchester with their six dogs. She and her husband enjoy boating, camping, and even hunting and fishing.